

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5434**

1. Opening of Meeting:

The Appeals Board convened at 10:30 a.m., August 13, 2003, in Oakland, with Chair Cynthia K. Thornton presiding.

2. Roll Call: Members

Present

Absent

Cynthia K. Thornton, Chair

X

Miller Medearis, Vice Chair

X

Jack Cox

x

Don L. Novey

x (via phone)

Virginia Strom-Martin

X

3. Approval of the Minutes:

The minutes of the July Board meeting were approved.

4. Chair's Report:

Chair Thornton welcomed the attendees of the staff support conference, and thanked them for their interest in observing a Board meeting. Chair Thornton commended Deputy Director Mary Walton-Simons and her staff for a well-presented conference.

Chair Thornton reported that there were several on-going investigations by the Bureau of State Audits, and expressed the Board's unwavering support for the management team and staff, and the creative solutions and hard work being put forth to deal with the Agency's crushing workload amid administrative restrictions.

Chair Thornton expressed her hope that Member Cox, whose term expired in June, would be reappointed to the Board for another term.

5. Chief Administrative Law Judge/Executive Director's Report:

Chief ALJ/Executive Director Jay Arcellana stated that it has been wonderful to be associated with Member Cox, and that he too hoped that Member Cox would be reappointed.

Chief ALJ/Executive Director Jay Arcellana stated that the Department of Finance had targeted a 1.1 billion monetary reduction in state government, along with a reduction in workforce of 16,000 employees. Each state agency has been instructed to submit a plan to reduce the size of its operations by 12%. The Appeals Board has already done so, achieving that reduction solely with surplus

earnings and vacant positions. Once that reduction plan is approved, it is expected and hoped that the 84 Agency employees presently on the surplus list will be removed from that list and no longer under any threat of layoff.

6. Branch Reports:

a. Chief ALJ/Executive Director Jay Arcellana reported that the workload is still at a fairly high level, with dispositions still running slightly behind registrations. As a result, the two earliest time lapse dates are not being met. However, through valiant staff efforts, the critical 90 day time lapse requirement is being achieved, which is important to the parties who appear before our ALJs. The Agency just doesn't have the staff currently to achieve the other time lapse dates.

Chief ALJ/Executive Director Jay Arcellana noted a budgeting change that will give each office its own Operating Expenses and Equipment budget to manage locally.

b. Deputy Chief ALJ Julie Krebs, Appellate Operations Branch, reported that workload has remained high, with 1698 registrations and 1627 dispositions during the month of July. Appellate Operations met two of the three time lapse requirements for appeals, missing the 75 day standard by just a few percentage points.

Member Strom-Martin inquired about the effect of remands upon time lapse. Deputy Chief Krebs responded that time lapse continues to toll only if Appellate Operations retains jurisdiction on a remand.

c. Deputy Director Pam Boston, Administrative Services Branch, reported on her Branch achievements during the last year, including notably establishing five new hearing facilities, creation of a procurement newsletter, installation of a new phone system in headquarters, establishment of a "hot site" in the Orange County Office to ensure the continuation of services in the event of a catastrophic event that brings down the primary Sacramento location, and thirteen examinations and three position reclassifications for the benefit and enhancement of upward mobility for our employees, who certainly deserve it for all of their hard work.

d. Deputy Director Mary Walton-Simons, Planning and Program Management Branch, spoke about the support staff conference, noting that it is the largest staff conference ever conducted for the Agency.

Deputy Director Walton-Simons advised that the Agency's interpreter process and related forms have been significantly revised, which should result in significant monetary savings, and specifically commended Martha Silva for her work on this project.

Finally, she and Budget Officer Renee Erwin met with Region DOL officials concerning the collection of data and its interpretation in connection with the Agency's funding level from the federal government.

7. Chief Counsel's Report:

Chief Counsel Ralph Hilton summarized his two written reports concerning the court cases and Board member workload. Board Member caseloads remain at a high level; and with the loss of Member Harris to another position, the Board Members should expect their workload to increase even further. Pending court cases continue to remain below a total of 100, even though the Agency received five new cases and was able to close just three last month. The Chief Counsel's Office has worked hard to reduce the number of open cases, which was well over 150 just a couple of years previously. Chair Thornton commended the Chief Counsel for his efforts in managing the court cases.

Chief ALJ/Executive Director Jay Arcellana announced that he had just received a call with information about the federal grants to states for the unemployment compensation program, and that while most other states' grants have been reduced, California's grant was increased by \$18 million. Chief ALJ/Executive Director Jay Arcellana commended ALJ Hugh Harrison and Budget Officer Renee Erwin for all of their hard work in connection with the budget process.

8. Unfinished & New Business:

None presented.

9. Public Comment:

None presented.

10. Closed Session:

The regularly scheduled Board meeting adjourned, and the Board went into closed session. No votes were taken on any matters in closed session.